IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH AT HYDERABAD

HON'BLE Mr. JUSTICE R. SUBHASH REDDY

Writ Petition No.5855 of 1998

Dated: December 12, 2006

Between:

M/s. Venkataramana Sago & Rice Mill, Baligattam, Narsipatnam, Vizag Dist., A.P., rep. By its Proprietor Alla Venkata Rao, S/o. A. Choudhary, aged 60 years, Galigattam, Narsipatnam, Vizag District.

… Petitioner

And

Secretary, Agricultural Marketing Committee, Narsipatnam, and others.

… Respondents

Order:

This Writ Petition has been filed seeking Mandamus to declare the action of the respondents in demanding the petitioner to obtain license under Section 7 of the A.P. (Agricultural Produce and Livestock) Markets Act, 1966 ('the Act' for brevity) as illegal and a direction to the respondents not to make such demand.

2. Petitioner is engaged in the business of manufacturing 'Sago'

that is prepared from 'Cassava', which according to the petitioner is not an edible commodity and is not available in the market. It is the case of the petitioner that the term 'Agricultural Product' has been notified by the Government, as per which Tapioca is required to be purchased only after obtaining license under Section 7 of the Act; however, the said notification does not contain or indicate that for purchasing Cassava, one has to obtain a license under Section 7 of the Act. It is urged that since Cassava is not notified as 'Agricultural Product', petitioner is not required to obtain any license under Section 7 of the Act to carry out business in Cassava.

3. Learned counsel for the petitioner would contend that petitioner need not obtain any license under Section 7 of the Act in view of the fact that Cassava is not included in the notification issued by the respondents and the respondents, without making any distinction between Tapioca and Cassava, are demanding a license on the ground that Tapioca is included in the notification and that Cassava and Tapioca is one and the same. In support of his contention, learned counsel placed reliance on a judgment of a Division Bench of this court in **Srinivasa Sago Manufacturing Co., Kakinada Vs. Agricultural Market Committee, Kakinada**[1].

4. In the aforesaid judgment, it was held that Cassava and Tapioca are two different commodities. Cassava is an agricultural produce, whereas, Tapioca is not an agricultural produce but is a product obtained from Cassava. It was also held that if any person deals in Tapioca, he is bound to obtain license under Section 7 of the Act, but the businessmen who are engaged only in the manufacture of Sago and Cassava are exempt from obtaining license under Section 7 of the

Act.

5. As much as the petitioner is engaged in the manufacture of Sago only, which is derived from Cassava, and no counter affidavit has been filed controverting the averments of the petitioner by filing a counter affidavit even though the Writ Petition is of the year 1998, I dispose of the Writ Petition directing the respondents not to insist the petitioner to pay license fee, provided the petitioner is manufacturing only Sago. It is made clear that if the petitioner deals with any other commodity that finds place in the abovementioned notification, it is open for the respondents to take appropriate steps as per the provisions of the Act and the Rules made thereunder. No order as to costs.

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JUSTICE R. SUBHASH REDDY.

December 12, 2006
MRR

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[1] **1997 (3) ALD 829 (D.B.)**